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LISTING STATEMENT No. 2016

LISTED MAY 13th, 1959  
760,800 shares without par value  
Ticker abbreviation LBL  
Post section 11  
Industrial commissions shall apply

TORONTO STOCK EXCHANGE

LISTING STATEMENT

MAY 25 1959

M. LOEB, LIMITED

Incorporated under the laws of the Province of Ontario by Letters Patent dated June 12th, 1928.

SHARES WITHOUT PAR VALUE  
CAPITALIZATION

	AUTHORIZED	OUTSTANDING	TO BE LISTED
Shares without par value.....	1,500,000	760,800	760,800

OTTAWA, ONTARIO  
April 6th, 1959.

1. APPLICATION

M. LOEB, LIMITED (hereinafter called "the Company") hereby makes application for the listing on the Toronto Stock Exchange of 760,800 shares without par value in the capital of the Company outstanding at the date hereof as fully-paid and non-assessable, particulars as to the issuance of which are set forth in the prospectus hereinafter mentioned.

2. REFERENCE TO ATTACHED PROSPECTUS

Reference is made to the attached prospectus relating to the offering of 240,000 shares without par value in the capital of the Company which forms part of this Application.

3. INCORPORATION AND CAPITAL AND OTHER CHANGES

The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated June 12, 1928, with an authorized capital of \$40,000. divided into 400 shares of the par value of \$100. each, all of which were subsequently issued as fully-paid and non-assessable.

By Supplementary Letters Patent dated December 31, 1954, the said 400 issued shares of the par value of \$100. each were sub-divided, reclassified and changed into 4,000 non-cumulative, non-redeemable participating Class "B" preference shares without par value and 4,000 common shares without par value, and the capital of the Company was increased by the creation of 3,500 5% non-cumulative redeemable Class "A" preference shares of the par value of \$100. each and the creation of 2,500 additional common shares without par value. 1,500 of the Class "A" preference shares of the par value of \$100. each were subsequently issued as fully-paid and non-assessable.

By Supplementary Letters Patent dated April 2, 1958, the Company was converted into a private company.

By Supplementary Letters Patent dated March 6th, 1959, the Company was re-converted into a public company and (a) the Class "A" preference shares of the par value of \$100. each, the Class "B" preference shares without par value and the common shares without par value, both issued and unissued, were reclassified, sub-divided and changed into shares without par value, all of one class, on the basis of 24 shares without par value for each Class "A" preference share and 60.6 shares without par value for each Class "B" preference share and for each common share without par value, and (b) the capital of the Company was increased by the creation of 779,700 additional shares without par value, the whole result of which was that the authorized capital of the Company became 1,500,000 shares without par value of which 520,800 shares had been issued as fully-paid and non-assessable.

4. OPINION OF COUNSEL

Messrs. Herridge, Tolmie, Gray, Coyne & Blair, 77 Metcalfe Street, Ottawa, Ontario, Counsel for the Company, are to file in support of this Application an opinion stating that the Company has been duly organized and is a valid and subsisting company incorporated under the laws of the Province of Ontario, and that 760,800 shares without par value in the capital of the Company have been validly issued and are outstanding as fully-paid and non-assessable.

5. DIVIDEND RECORD

Since its incorporation no dividends have been declared by the Company on any shares in its capital stock.



6. LISTING ON OTHER STOCK EXCHANGES

Application is being made by the Company, simultaneously with this Application, for the listing on the Montreal Stock Exchange, of the 760,800 shares without par value in the capital of the Company covered by this Application.

7. STATUS UNDER SECURITIES ACT

The 240,000 shares of the Company offered for sale by the above mentioned prospectus were qualified for sale to the public through registered brokers in the Provinces of Ontario and Quebec.

8. FINANCIAL YEAR

The financial year of the Company ends on December 31st in each year.

9. ANNUAL MEETING

The by-laws of the Company provide that the annual meeting shall be held at such place within Ontario at such time and on such day as the board of directors of the Company may from time to time determine. The last annual meeting was held on June 30, 1958.

10. TRANSFER AGENT AND REGISTRAR

Montreal Trust Company, at its office in the City of Toronto, is the transfer agent and registrar, and at its office in the City of Montreal, is the branch transfer agent and registrar, for the shares without par value in the capital of the Company, and the said shares are interchangeably transferable on the two registers

11. TRANSFER FEE

No fee is charged on transfers of the shares without par value in the capital of the Company other than government stock transfer taxes where applicable.

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, the applicant Company hereby applies for listing of the above mentioned securities on the Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



M. LOEB, LIMITED

"BERTRAM LOEB," President  
"DAVID B. LOEB," Secretary  
(C.S.)

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Distribution of Common stock as of May 4th, 1959

Number	Shares
814 Holders of 1— 100 share lots.....	53,765
182 " " 101— 200 " " .....	33,682
64 " " 201— 300 " " .....	18,305
35 " " 301— 400 " " .....	13,600
38 " " 401— 500 " " .....	18,950
36 " " 501—1000 " " .....	26,596
27 " " 1001—up " " .....	595,902
1,195 Stockholders	Total shares.....760,800

*This prospectus is not, and under no circumstances is to be construed as, a public offering of any of these Shares for sale in the United States of America or in the territories or possessions thereof.*

*New Issue*

**240,000 Shares**

**without par value**

**M. Loeb, Limited**

(Incorporated under the laws of the Province of Ontario)

**Registrar and Transfer Agent**  
**MONTREAL TRUST COMPANY**  
**Toronto and Montreal**

**Capitalization**

(Upon completion of the proposed financing)

	Authorized	Outstanding
Shares without par value. . . . .	1,500,000 shs.	760,800 shs.


*Application for listing the Shares of the Company on The Toronto Stock Exchange and the Montreal Stock Exchange has been approved subject to the filing of documents and evidence of satisfactory distribution.*

We, as principals, offer these 240,000 Shares, if, as and when issued by the Company and accepted by us, subject to prior sale or change in price and subject to the approval of all legal matters on our behalf by Messrs. Dixon, Senecal, Turnbull, Mitchell, Stairs, Culver & Kierans, Montreal, and on behalf of the Company by Messrs. Herridge, Tolmie, Gray, Coyne & Blair, Ottawa, on whose opinion our counsel may rely as to all matters of Ontario law.

**Price: \$6.50 per share**

We reserve the right to accept applications for these Shares in whole or in part or to reject any application and to withdraw this offer at any time without prior notice. It is expected that interim or definitive certificates representing these Shares will be available for delivery on or about March 26, 1959.





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## **M. Loeb, Limited**

Ottawa, Ontario,  
March 13, 1959.

W. C. PITFIELD & COMPANY, LIMITED,  
MONTREAL, QUEBEC.

Dear Sirs,

With reference to the proposed issue of 240,000 Shares without par value in the capital of M. Loeb, Limited (hereinafter sometimes called the "Company"), we are pleased to give you the following information.

### **The Company**

Incorporated under the laws of the Province of Ontario in 1928, the Company is engaged in the wholesale distribution of groceries, tobacco and confectionery, produce and frozen foods and sundry items in an area within a radius of approximately 100 miles of the City of Ottawa and, through a wholly-owned subsidiary, Casselman Creamery Limited, produces and distributes butter, cheese and powdered milk. Under a franchise from the Independent Grocers' Alliance Company (hereinafter sometimes called "IGA"), the Company serves as the wholesale supply depot for 113 affiliated IGA and Much More retail food markets in the area.

### **History**

The business was founded in 1912 by the late Moses Loeb as a small confectionery store in the City of Ottawa and has grown into the present organization covering some 3,500 retail accounts in more than 300 cities, towns and villages in eastern Ontario and western Quebec, including the Cities of Ottawa, Hull, Kingston, Brockville, Cornwall and North Bay. In 1921 a franchise was obtained for the wholesale distribution of cigarettes and tobacco which, along with the wholesale confectionery business, was the principal operation of the Company until 1951.

A franchise to organize and supply a voluntary chain of independent food retailers in the Ottawa Valley area was obtained from the IGA in October, 1951 and the Company commenced its present IGA programme in May, 1952. The business is now managed by the founder's four sons and today is operated out of three modern warehouses situated in Ottawa, Brockville and Pembroke.

### **Business**

The Company's IGA franchise covers the Counties of Carleton, Russell, Prescott, Stormont, Dundas, Glengarry, Leeds, Grenville, Lanark and Renfrew in the Province of Ontario and the Counties of Gatineau, Pontiac, Papineau, Argenteuil and Hull in the Province of Quebec, which counties have a combined population in excess of 750,000. The Company plans to extend its operations beyond these counties for other than IGA stores and, when permission is granted by IGA, it may also develop IGA outlets in other franchised areas.

The Company commenced its IGA Supply Depot operations in May, 1952 in a remodelled 16,250 square foot warehouse in Ottawa, servicing and supplying a group of 35 independent retail grocery stores with a combined retail sales volume of approximately \$80,000 a week or about \$4,000,000 a year. By December 31, 1958 the number of retail outlets served had increased to 113 IGA and Much More food markets with a total retail sales volume of approximately \$1,000,000 a week or about \$50,000,000 a year. There are six new IGA stores presently under construction and six new locations have either been purchased or are under option as part of the Company's 1959 IGA retail development programme. The Company now services and supplies these retail outlets from three fireproof warehouses, all equipped with the latest material-handling devices, which it leases in the Cities of Ottawa, Pembroke and Brockville. These warehouses have a combined floor area of 237,000 square feet.

During the past three years the Company has purchased three wholesale distributing businesses in the area, Pembroke Wholesale Limited, wholesale distributors of tobacco products and confectionery, Pembroke, Ontario, O'Donnell Brothers Limited, wholesale distributors of tobacco products and groceries, Perth, Ontario, and Gilmour and Company Limited, wholesale distributors of tobacco products and groceries, Brockville, Ontario, absorbing most of their personnel into the Company and retaining the retail associations that had been independently developed by them.

The Company is a franchised wholesale distributor for nationally advertised tobacco and confectionery products and many sundry products of such nationally known manufacturers as Eastman-Kodak, Canadian General Electric (small appliances), Ronson and Sunbeam and distributes these products to department stores, appliance stores, drug stores and others, including its affiliated IGA food markets, in a general area within a radius of approximately 100 miles of the City of Ottawa. Today this division accounts for about 20% of the Company's total sales.

In 1956, the Company purchased and now operates as a wholly-owned subsidiary, Casselman Creamery Limited, a large producer of butter, cheese and powdered milk, which is located 40 miles south-west of Ottawa at Casselman in the rich dairy farming area of eastern Ontario. Butter, cheese and powdered milk produced by Casselman Creamery Limited are distributed by the Company out of its three warehouses to its affiliated IGA stores and others. Casselman Creamery Limited in 1958 produced approximately 6 million pounds of butter, cheese and powdered milk, making it one of the largest producers of creamery products in Canada.



## Independent Grocers' Alliance Company

The IGA has approximately 7,000 franchised retail food outlets in the United States and Canada which it services through its 98 franchised Supply Depots, of which the Company is one. This voluntary food chain was organized in 1926 with the avowed purpose of organizing independent grocers into a merchandising group which, through bulk buying and efficient low-cost distribution, could compete profitably in the retail food industry. In 1958, total retail sales of IGA stores in the United States and Canada exceeded \$3½ billion, making IGA the second largest retail food business in the world.

There are approximately 690 IGA retail outlets and 9 IGA Supply Depots in Canada. The Company operates the IGA Supply Depot in its franchised area. While IGA has been in existence in Canada for only eight years, its retail sales in Canada reached \$249 million in 1958, an increase of about 25% over the previous year. Of the nine IGA franchised areas in Canada, that of the Company is the sixth in population but is the first in IGA sales volume.

### Method of operation

Under its IGA franchise, the Company services and supplies two groups of retail food markets. First and most important are the full-fledged IGA members who participate in the merchandising and advertising programmes and adhere to the operational plans of the IGA. The second category, known as Much More stores, are associated with IGA but are, for the present, unable to meet the requirements of IGA with respect to store size and sales volume. Of the 113 IGA and Much More retail outlets in the Company's franchised area, 32 are operated under the trademark of "IGA Foodliner" (a supermarket having at least 6,000 square feet of floor area and a sales volume of not less than \$500,000 per year), which account for approximately two-thirds of the total IGA retail sales in the area.

The Company selects locations and helps to arrange the financing and construction of new IGA retail food markets as well as assisting in the expansion of existing ones. In most cases the Company holds the lease on the "IGA Foodliner" and, in turn, sublets it to the individual IGA retail member. Should the IGA retailer not maintain the standards set forth in the IGA agreement, the Company has the right to terminate that agreement and any sub-lease. In cases where the retail member builds his own store the Company may become a guarantor of the mortgage, taking adequate security. In some cases, the Company, if it deems it advisable, may lease the premises from the retail member and sublet them back to him. Retail members are granted IGA retail franchises only upon execution of a standard form of IGA agreement and the franchise remains in effect only so long as its terms are fulfilled.

### Efficiency and growth

The Company's inventory turn-over, obtained by dividing the average of year-beginning and year-end inventories into total cost of sales, for 1957 was nearly 21.4 times against a national wholesale grocery average of approximately 13 times. Rapid turnover of inventory at the wholesale level is essential to efficient and profitable food retailing and is stressed under the IGA method. Accounts receivable are virtually eliminated in the IGA operation since the retailer is required to pay for all merchandise on a "cheque in advance" basis. The retailer in turn has virtually no accounts receivable because of the IGA cash-and-carry retail policy. This policy of eliminating retailer and consumer credit reduces the amount of working capital needed in the business and enables a larger volume of business to be handled with a given amount of working capital.

In 1957, the Company's margin of profit before taxes was 1.32% of gross sales as compared with the Canadian wholesale grocery industry average of 1.05% as reported by the Dominion Bureau of Statistics. Net profits before taxes as related to gross sales may appear small, which is characteristic of the wholesale grocery business, but when considered in relation to invested capital it will be seen that in 1958, after taxes on income, the Company earned nearly 18.6% on its invested capital.

The Company's growth is illustrated by the following table.

	Company's Operations			Affiliated Retailers' Operations	
	Sales	Net profit	Net worth	No. of outlets	Approximate retail sales
1949.....	\$ 4,370,019	\$ 63,169	\$ 323,068		
1950.....	4,808,320	31,256	349,189		
1951.....	5,570,508	44,256	393,472		
1952.....	7,561,749	53,533	456,526	35*	\$ 4,000,000*
1953.....	9,407,959	55,090	514,031	55	9,500,000
1954.....	12,034,756	64,572	576,867	79	17,000,000
1955.....	17,880,126	87,277	664,247	87	25,000,000
1956.....	27,554,121	147,580	956,827	100	37,000,000
1957.....	31,894,087	212,402	1,181,138	105	43,000,000
1958.....	36,912,871	269,755	1,450,893	113	50,000,000

\*The Company commenced its IGA operations in 1952.



## Earnings

The following report has been received from the Company's auditors, Messrs. Arthur A. Crawley & Co., Chartered Accountants, with respect to earnings of the Company and its subsidiary companies for the ten years ended December 31, 1958.

"TO THE DIRECTORS,  
M. LOEB, LIMITED,

The following report has been prepared at your request.

### M. LOEB, LIMITED and its Subsidiary Companies Consolidated Statement of Earnings For the 10 years ended December 31, 1958

	Sales	Gross profit on sales	Profits from operations before depreciation and taxes on income	Depre- ciation	Taxes on income	Net profit
1949.....	\$ 4,370,019	\$ 371,825	\$122,405	\$ 18,484	\$ 40,752	\$ 63,169
1950.....	4,808,320	396,499	71,423	19,634	20,533	31,256
1951.....	5,570,508	460,951	113,926	25,088	44,582	44,256
1952.....	7,561,749	543,027	128,067	20,196	54,338	53,533
1953.....	9,407,959	639,600	136,591	38,191	43,310	55,090
1954.....	12,034,756	784,230	154,588	38,956	51,060	64,572
1955.....	17,880,126	1,011,626	195,636	42,300	66,059	87,277
1956.....	27,554,121	1,319,077	360,279	73,739	138,960	147,580
1957.....	31,894,087	1,833,705	489,017	73,733	202,882	212,402
1958.....	36,912,871	2,097,051	643,474	105,719	268,000	269,755

- (1) For the years 1956, 1957 and 1958 the above consolidated statement of earnings includes the earnings of the wholly-owned subsidiary, Casselman Creamery Limited. The applicable portion of the earnings of Loeb Bros. Produce Limited is included in 1957 whereas in 1958, when that subsidiary company became wholly-owned, the total earnings are included.
- (2) In previous years quantity rebates from suppliers were treated in the accounts on a cash received basis. In 1958 the Company altered its policy to treat rebates on an accrual basis thereby giving the year 1958 the benefit of both 1957 and 1958 quantity rebates. These rebates received in 1959 applicable to and included in 1958 amounted to \$72,000.
- (3) Subsequent to December 31, 1958 the operations of Loeb Bros. Produce Limited were carried on as a division of the Company. The Company acquired the assets and assumed the liabilities of that subsidiary company as of January 1, 1959.

We have examined the consolidated statement of earnings of M. Loeb, Limited and its subsidiary companies for the ten years ended December 31, 1958. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have reviewed and accepted statements of earnings for the seven years ended December 31, 1955 as reported upon by the previous auditor of the Company.

In our opinion, the above statement with the footnotes appended thereto present fairly the results of operations of the Company and its subsidiary companies for the ten years ended December 31, 1958.

Ottawa, Ontario, March 13, 1959.

(Sgd.) ARTHUR A. CRAWLEY & Co.,  
Chartered Accountants."

### Purpose of Issue

The proceeds from the issue of the 240,000 Shares without par value offered by this prospectus will be added to the working capital of the Company and will be used for general corporate purposes.

Yours very truly,

M. LOEB, LIMITED  
(Sgd.) BERTRAM LOEB,  
President.

**M. LOEB, LIMITED**  
**and its Subsidiary Companies (Note 1)**  
**Consolidated Balance Sheet and Pro Forma Consolidated Balance Sheet**  
**As at December 31, 1958**

The Pro Forma Consolidated Balance Sheet gives effect to the following:

- (1) The issue to the Company of supplementary letters patent dated March 6, 1959 by the Provincial Secretary of the Province of Ontario providing for:
  - (a) the reclassification, subdivision and change of the 1,500 issued and the 2,000 unissued Class "A" preference shares of the par value of \$100 each into 36,000 issued and 48,000 unissued Shares without par value on the basis of 24 Shares without par value for each issued and each unissued Class "A" preference share of the par value of \$100 each;
  - (b) the reclassification, subdivision and change of the 4,000 issued Class "B" preference shares without par value into 242,400 issued Shares without par value on the basis of 60<sup>3</sup>/<sub>5</sub> Shares without par value for each issued Class "B" preference share without par value;
  - (c) the reclassification, subdivision and change of the 4,000 issued and the 2,500 unissued common shares without par value into 242,400 issued and 151,500 unissued Shares without par value on the basis of 60<sup>3</sup>/<sub>5</sub> Shares without par value for each issued and each unissued common share without par value; and
  - (d) the increase of the authorized capital of the Company to 1,500,000 Shares without par value by the creation of an additional 779,700 Shares without par value ranking on a parity with the above mentioned 720,300 issued and unissued Shares without par value.
- (2) The issue and sale of 240,000 Shares without par value for an aggregate consideration of \$1,440,000 paid in cash to the Company.
- (3) The payment of legal, audit and other expenses of issue estimated at \$25,000.

	ASSETS	Actual	Pro Forma
<b>CURRENT ASSETS</b>			
Cash on hand.....		\$ 28,564	\$1,443,564
Accounts receivable, trade less allowance for doubtful accounts of \$31,241.....		1,626,122	1,626,122
Merchandise inventories at the lower of cost or market value.....		2,085,774	2,085,774
Prepaid direct shipments from suppliers to retail stores, at cost.....		250,166	250,166
Advances for new IGA store development.....		26,603	26,603
Prepaid expenses.....		21,895	21,895
Mortgages receivable.....		17,029	17,029
		<u>4,056,153</u>	<u>5,471,153</u>
<b>INVESTMENTS—At cost</b>			
Industrial Avenue Realities Limited.....		150,000	150,000
Other.....		30,950	30,950
		<u>180,950</u>	<u>180,950</u>
<b>FIXED ASSETS—At cost</b>			
Buildings.....		113,983	113,983
Furniture, fixtures and equipment.....		511,501	511,501
Automotive equipment.....		287,258	287,258
Sundry.....		10,779	10,779
		<u>923,521</u>	<u>923,521</u>
Less: Accumulated depreciation.....		482,363	482,363
		<u>441,158</u>	<u>441,158</u>
<b>OTHER ASSETS</b>			
Excess of cost of investment in subsidiary companies over the book value of their net assets at date of acquisition.....		151,417	151,417
		<u>\$4,829,678</u>	<u>\$6,244,678</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Bank overdraft.....		\$1,283,010	\$1,283,010
Loan payable.....		35,000	35,000
Accounts payable and accrued liabilities.....		1,688,818	1,688,818
Income taxes payable.....		160,744	160,744
		<u>3,167,572</u>	<u>3,167,572</u>
<b>NOTES AND MORTGAGE PAYABLE (Note 2).....</b>			
		<u>211,213</u>	<u>211,213</u>
<b>CAPITAL AND SURPLUS</b>			
<b>Actual Balance Sheet</b>			
Capital stock authorized—			
3,500 Class "A" 5% non-cumulative redeemable preference shares of the par value \$100 each			
4,000 Class "B" non-cumulative non-redeemable participating preference shares without par value			
6,500 common shares without par value			
Capital stock issued and fully paid—			
1,500 Class "A" preference shares.....		150,000	
4,000 Class "B" preference shares.....		20,000	
4,000 common shares.....		20,000	
		<u>190,000</u>	
<b>Pro Forma Balance Sheet</b>			
Capital stock authorized—			
1,500,000 shares without par value			
Capital stock issued and fully paid—			
760,800 shares without par value.....			1,630,000
Surplus.....		1,260,893	1,235,893
		<u>1,450,893</u>	<u>2,865,893</u>
		<u>\$4,829,678</u>	<u>\$6,244,678</u>



NOTES:

- (1) The consolidation includes the Company's wholly-owned subsidiary companies, Casselman Creamery Limited and Loeb Bros. Produce Limited. Subsequent to December 31, 1958 the operations of Loeb Bros. Produce Limited were carried on as a division of the Company. The Company acquired the assets and assumed the liabilities of that subsidiary company as of January 1, 1959.
- (2) Notes and mortgage payable is composed of the following:
- |  |                  |
|--|------------------|
| 5½% note of the Company maturing in quarterly instalments of \$10,000,<br>interest payable quarterly, until February 15, 1961..... | \$ 90,285        |
| 6% note of the Company maturing in quarterly instalments of \$2,500,<br>interest payable quarterly, until October 1, 1961.....     | 29,678           |
| 6% mortgage of Casselman Creamery Limited,<br>repayable in monthly instalments of \$1,250 until January 23, 1965.....              | 91,250           |
|  | <u>\$211,213</u> |
- (3) At December 31, 1958, the Company was contingently liable in respect of trade paper under discount in the amount of \$75,740. In addition to the foregoing the Company has guaranteed the repayment of \$270,000 principal amount of mortgages and is committed to guarantee the repayment of an additional \$950,000 principal amount of mortgages on warehousing facilities and new IGA retail outlets which guarantees in the opinion of the directors of the Company are/will be adequately secured.

Approved on behalf of the Board:  
(Sgd.) NORMAN LOEB, Director.

(Sgd.) BERTRAM LOEB, Director.

**Auditor's Report**

TO THE DIRECTORS,  
M. LOEB, LIMITED,

We have examined the accompanying consolidated balance sheet and the pro forma consolidated balance sheet of M. Loeb, Limited and its subsidiary companies, Casselman Creamery Limited and Loeb Bros. Produce Limited, as at December 31, 1958. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered appropriate in the circumstances.

In our opinion the accompanying consolidated balance sheet supplemented by the notes appended thereto presents fairly the financial position of M. Loeb, Limited and its subsidiary companies, Casselman Creamery Limited and Loeb Bros. Produce Limited, as at December 31, 1958. In our opinion the accompanying pro forma consolidated balance sheet supplemented by the notes thereto presents fairly the financial position of M. Loeb, Limited and its subsidiary companies, Casselman Creamery Limited and Loeb Bros. Produce Limited, as at December 31, 1958 after giving effect as of that date to the changes set forth in the heading thereto.

Ottawa, Ontario, March 13, 1959.

(Sgd.) ARTHUR A. CRAWLEY & Co.,  
Chartered Accountants.

## STATUTORY INFORMATION

(a) The full name of the Company is M. Loeb, Limited (hereinafter called the "Company"). The address of its head office is 490 Industrial Avenue, Ottawa, Ontario.

(b) The Company was incorporated under the laws of the Province of Ontario by letters patent dated June 12, 1928. Supplementary letters patent dated December 31, 1954, April 2, 1958 and March 6, 1959 have been issued to the Company.

(c) The general nature of the business actually transacted by the Company is the wholesale distribution of groceries, tobacco and confectionery, produce and frozen foods and sundry items.

(d) The name in full, present occupation and home address in full of each of the officers and directors of the Company are as follows:

### Officers

NORMAN ABRAHAM LOEB:	Chairman of the Board:	294 Sherwood Drive, Ottawa, Ontario
BERTRAM ISAAC LOEB:	President:	386 Wilbrod Street, Ottawa, Ontario
JULES LOEB:	Executive Vice-President:	Stone House, Aylmer Road, RR 1, Hull, Quebec
DAVID BERTRAM LOEB:	Vice-President and Secretary:	225 Minto Place, Rockcliffe Park, Ontario
GEORGE WILLARD MORRISON:	Treasurer:	130 Broadway Avenue, Ottawa, Ontario

### Directors

JOHN FRANK DAMORE:	Executive:	6 Country Club Drive, Toronto, Ontario
LAWRENCE FREIMAN:	Executive:	250 Sylvan Road, Rockcliffe Park, Ontario
BERTRAM ISAAC LOEB:	Executive:	386 Wilbrod Street, Ottawa, Ontario
DAVID BERTRAM LOEB:	Executive:	225 Minto Place, Rockcliffe Park, Ontario
JULES LOEB:	Executive:	Stone House, Aylmer Road, RR 1, Hull, Quebec
NORMAN ABRAHAM LOEB:	Executive:	294 Sherwood Drive, Ottawa, Ontario
ROSE LOEB:	Widow:	289 Wilbrod Street, Ottawa, Ontario
WARD CHIPMAN PITFIELD:	Investment Dealer:	6 Highland Avenue, Toronto, Ontario

(e) The auditors of the Company are Messrs. Arthur A. Crawley & Co., Chartered Accountants, 387 Albert Street, Ottawa, Ontario.

(f) Montreal Trust Company at its offices in the Cities of Toronto and Montreal is the registrar and transfer agent for the Shares in the capital of the Company.

(g) The authorized share capital of the Company consists of 1,500,000 Shares without par value of which 520,800 Shares have been issued and are outstanding as fully paid.

(h) The Shares without par value in the capital of the Company are entitled to one vote per share at all meetings of shareholders and on a liquidation or other distribution of assets are entitled to participate equally in any and all assets available for distribution to the shareholders.

(i) No bonds or debentures are outstanding or proposed to be issued nor are any other securities issued or proposed to be issued which if issued would rank ahead of or *pari passu* with the Shares offered by this prospectus, except the 5½% note due February 15, 1961 and the 6% note due October 1, 1961, referred to in note (2) to the consolidated balance sheet forming part of this prospectus to which reference is hereby expressly made.

(j) No substantial indebtedness is to be created or assumed which is not shown on the accompanying consolidated balance sheet of the Company and its subsidiary companies as at December 31, 1958.

(k) No securities of the Company are covered by options outstanding or proposed to be given. Reference, however, is made to paragraph (p) hereof.

(l) The number of securities offered by this prospectus and their correct descriptive title and the issue price to the public and the terms thereof are as stated on the face page of this prospectus, to which



reference is hereby expressly made. No amount is payable on application for or allotment of the said securities. The issue price to the public is payable on delivery of the said securities in interim or definitive form. No other securities of the Company have been offered for subscription within the two years preceding the date hereof.

(m) The estimated net proceeds to be derived by the Company from the sale of the 240,000 Shares offered by this prospectus on the basis of the same being fully taken up and paid for is \$1,440,000. Legal, audit and other expenses in connection with the issue, estimated at \$25,000, will be paid out of the general funds of the Company.

(n) The proceeds to the Company from the sale of the 240,000 Shares offered by this prospectus will be added to the working capital of the Company and will be used for general corporate purposes. No part of the proceeds of the securities offered by this prospectus is to be held in trust pending or subject to the fulfilment of any conditions.

(o) No minimum amount, in the opinion of the directors, must be raised by the issue of the Shares offered by this prospectus in order to provide funds for

- (i) the purchase price of any property purchased or to be purchased by the Company,
- (ii) the payment of preliminary expenses by the Company,
- (iii) any commission payable by the Company to any person in consideration of his agreeing to subscribe for or procuring or agreeing to procure subscriptions for any shares in the Company,
- (iv) the repayment of any moneys borrowed by the Company in respect of the foregoing matters or
- (v) the repayment of bank loans.

(p) Under an agreement dated March 4, 1959 between the Company and W. C. Pitfield & Company, Limited, on its own behalf as underwriter, the Company agreed to sell and the said underwriter agreed to buy the 240,000 Shares without par value in the capital of the Company offered by this prospectus at the price of \$6.00 per Share payable in cash to the Company against delivery of certificates in interim or definitive form representing the said 240,000 Shares on or before March 26, 1959 upon the terms and conditions in the said agreement set forth.

(q) The by-laws of the Company provide for the remuneration of the directors as follows: "The directors shall be paid such remuneration, if any, as the board may from time to time determine. Any remuneration so payable to a director who is also an officer or employee of the Company or otherwise serves it in a professional capacity shall be in addition to his salary as such officer or employee or to his professional fees as the case may be. In addition the board may by resolution from time to time award special remuneration out of the funds of the Company to any director who performs any special work or service for, or undertakes any special work or service for, or undertakes any special mission on behalf of, the Company outside the work or services ordinarily required of a director of the Company. The directors shall also be paid such sums in respect of their out-of-pocket expenses incurred in attending board, committee or shareholders' meetings or otherwise in respect of the performance by them of their duties as the board may from time to time determine. No confirmation by the shareholders of any such remuneration or payment shall be required."

(r) The aggregate remuneration paid by the Company during its last financial year to directors of the Company, as such, was nil and to officers of the Company, as such, who individually received remuneration in excess of \$10,000 per annum, was \$170,000. The aggregate remuneration estimated to be paid or payable during the current fiscal year to directors of the Company, as such, is \$800 and to officers of the Company, as such, who individually may be entitled to receive remuneration in excess of \$10,000 per annum, is \$90,000.

(s) No amount has been paid by the Company within the two years preceding the date hereof or is now payable as a commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or obligations of the Company.

(t) The Company has been carrying on business for more than one year.

(u-v) Except for transactions entered into or to be entered into in the ordinary course of operations or on the general credit of the Company, no property has been purchased or acquired by the Company or is proposed to be purchased or acquired, the purchase price of which is to be defrayed in whole or in part out of the proceeds of the securities offered by this prospectus or has been paid within the two years preceding the date hereof or is to be paid in whole or in part in securities of the Company, or the purchase or acquisition of which has not been completed at the date hereof.

(w) No securities have within the two years preceding the date hereof been issued or agreed to be issued by the Company as fully or partly paid up otherwise than in cash.

(x) No obligations are being offered by this prospectus.

(y) No services have been rendered or are to be rendered to the Company which are to be paid for by the Company wholly or partly out of the proceeds of the securities offered by this prospectus or have been within the two years preceding the date hereof or are to be paid for by securities of the Company.

(z) No amount has been paid within the two years preceding the date hereof or is intended to be paid to any promoter.

(za) The dates of and the parties to and the general nature of every material contract entered into by the Company within the two years preceding the date hereof, other than contracts entered into in the ordinary course of business carried on by the Company, are as follows:

- (i) Agreement referred to in paragraph (p) hereof.
- (ii) Agreement dated July 16, 1957 with Pembroke Wholesale Limited and Lawrence Giroux whereby the Company purchased certain assets of Pembroke Wholesale Limited in the Town of Pembroke, Ontario.
- (iii) Agreement dated May 21, 1958 with Gilmour and Company Limited whereby the Company purchased certain assets of Gilmour and Company Limited in the City of Brockville, Ontario.
- (iv) Agreement dated January 2, 1958 with John Frank Damore of the City of Toronto, Ontario, whereby the Company acquired 50% of the outstanding shares in the capital of Loeb Bros. Produce Limited, making the latter company a wholly-owned subsidiary.
- (v) Agreement dated January 23, 1959 with Loeb Bros. Produce Limited, a wholly-owned subsidiary, whereby the Company purchased as a going concern the business, including all the assets and liabilities, of Loeb Bros. Produce Limited of the City of Ottawa, Ontario, effective January 1, 1959.

Copies of the foregoing agreements may be inspected during ordinary business hours at the Company's head office 490 Industrial Avenue, Ottawa, Ontario, while the securities offered by this prospectus are in the course of primary distribution to the public.

(zb) The Company does not propose to acquire any property in which any director of the Company is interested.

(zc) The Company has been carrying on business for more than three years.

(zd) The signatories hereto are not aware of any persons who, by reason of beneficial ownership of securities of the Company or any agreement in writing, will be in a position to, or will be entitled to, elect or cause to be elected a majority of the directors of the Company. Norman Abraham Loeb, Bertram Isaac Loeb, Jules Loeb and David Bertram Loeb and/or their immediate families at the present time together own, directly or indirectly, all the outstanding shares in the capital of the Company. A portion of the combined holdings referred to above, which portion represents more than 50% of the shares in the capital of the Company to be outstanding upon completion of the present financing, are deposited with a trustee under an agreement pursuant to which any of their respective holdings of shares in the capital of the Company so deposited must first be offered to the other parties to the agreement in the event that any one of them proposes to sell any of his said shares. The said agreement provides that the beneficial owner shall have the right to vote his shares at all meetings of shareholders of the Company. The agreement is for a period of 10 years from March 4, 1959 unless earlier terminated by the acquisition by any one of the brothers of all shares deposited by the others.

(ze) The signatories hereto are not aware of any securities of the Company being held in escrow. Reference, however, is made to paragraph (zd) of this prospectus.

(zf) No dividends have been paid by the Company within the five years preceding the date hereof.

(zg) The Company leases its three warehouses from Industrial Avenue Realities Limited, all the common shares of which are owned, directly or indirectly, by the immediate families of Norman Abraham Loeb, Bertram Isaac Loeb, Jules Loeb and David Bertram Loeb. Industrial Avenue Realities Limited also owns the land and buildings upon which are located two IGA supermarkets leased to IGA member retailers to whom the Company sells groceries and produce. The Company has entered into the following leases with Industrial Avenue Realities Limited: (a) dated January 2, 1959 for fifteen years of its premises at 490 Industrial Avenue in the City of Ottawa, Ontario, covering 178,500 square feet at an annual rental of \$188,500; (b) dated January 31, 1959 for ten years of its premises on Parkdale Road in the City of Brockville, Ontario, covering 32,500 square feet at an annual rental of \$32,500, with an option to renew for a further ten years at the same rental; and (c) dated January 2, 1959 for fifteen years of its premises at 9 Bennett Street in the Town of Pembroke, Ontario, covering 26,000 square feet at an annual rental of \$26,000. Bertram Isaac Loeb is a shareholder of Central Supermarkets Limited which operates five IGA supermarkets to which the Company sells groceries and produce, the wife of Bertram Isaac Loeb is a shareholder in a company which owns the realty held under lease by City View IGA Foodliner in the Township of Nepean to which the Company sells groceries and produce, and a holding company, in which Bertram Isaac Loeb is interested, is a shareholder of Double "L" Transport Limited from which the Company purchases transportation services.

(zh) There are no other material facts not disclosed in the foregoing.

Dated March 13, 1959.



The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible.

**Directors**

(Sgd.) JOHN F. DAMORE

(Sgd.) NORMAN LOEB

(Sgd.) LAWRENCE FREIMAN

(Sgd.) JULES LOEB

(Sgd.) BERTRAM LOEB

(Sgd.) ROSE LOEB

(Sgd.) DAVID B. LOEB

(Sgd.) WARD C. PITFIELD

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible. In respect of matters which are not within our knowledge we have relied upon the accuracy and adequacy of the foregoing.

**Underwriter**

W. C. PITFIELD & COMPANY, LIMITED

Per (Sgd.) R. L. HUNTER,  
Director.

The following are the names of every person having an interest, either directly or indirectly, to the extent of not less than five per centum in the capital of W. C. Pitfield & Company, Limited: A. S. Torrey, H. H. Mackay, P. R. Payn, W. C. Pitfield, E. S. Morse, A. D. Hunt, E. F. C. Kinnear and J. A. Weldon.







